

EX PARTE OR LATE FILED

ORIGINAL RECEIVED

OCT - 7 1992

October 6, 1992

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

ORIGINAL
FILE

Donna R. Searcy, Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222, Mail Stop 1170
Washington, D.C. 20554

Re: Ex Parte report, CC Docket No. 90-314, ET Docket No. 92-100

Dear Ms. Searcy:

This will notify the Commission of an ex parte presentation yesterday by PCN America, Inc. and Millicom Incorporated in the above referenced proceeding. Messrs Gary K. Jones, Gary Miles and Todd Hardy discussed the attached material with Dr. Thomas Stanley of the Commission staff.

Best Regards,



Gary K. Jones
Director of Business Development
PCN America, Inc.

Enclosure

cc: Dr. Thomas Stanley

No. of Copies rec'd 0+1
List A B C D E

PCN AMERICA, INC.

RECEIVED

OCT - 7 1992

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

PCS National License Concepts

Gary K. Jones

Gary Miles

**Personal
Communications**

MILLICOM INC.

Market and Regulatory Analogy

- Credit Card Industry - yesterday
 - American Express
 - Dominate card
 - Visa
 - MasterCard
 - New entrants

Credit Card Industry - today

- **Highly competitive**
- **Universally accepted**
- **Provides tens of thousands of American jobs**
- **Standardized use both in US and abroad**
- **Visa and MasterCard are nonprofit organizations**

Credit Card Success

- National service provider
- National benefits
 - Advertising
 - Technical support
 - Authorization and clearing functions
- Competitive with larger, established Amex

PCN AMERICA, INC.

National Licensing Concepts Three-tiered Process

- Tier One - Two National Service Providers
- Tier Two - 49 Major Trading Areas
- Tier Three - Multiple local licenses

**Personal
Communications**

MILlicom INC.

PCN AMERICA, INC.

Millicom's Three-tiered Process will:

- Expedite ubiquitous service and UPT
- Provide at least 900 licensing opportunities
- Encourage minority and small business involvement
- Provide national marketing, roaming, billing standards and equipment compatibility which will result in faster penetration

**Personal
Communications**

MILlicom INC.

Tier One - Two National Service Providers

- Chosen by comparative hearings
- Each owned by consortium
- Can be the primary operator in five non-contiguous regions
- National services provided on a for profit basis for ten years - then operated on a nonprofit basis by tier-two licensees

PCN AMERICA, INC.

National Service Provider - Requirements

- **Provide services including:**
 - Coordination of technical standards
 - National subscriber data base platform
 - Signalling network connecting data bases
 - Standardized billing platform
 - Clearinghouse functions for intercompany billing
 - Quality control of PCS services
- **Using FCC criteria, sublicense tier-two MTAs**

**Personal
Communications**

MILlicom INC.

National Service Provider - Functions

- "Branding" - national marketing power
- Powerful negotiation for interconnection with wireline
- Establishes economic strength for equipment purchases
- Assures rapid customer acceptance
- Creates effective competition to existing wired and wireless services

Tier Two - Regional Licenses

- **49 Major Trading Areas**
 - **Interstate in nature - limiting state and local regulation**
 - **Limits effects of 125 mile coordination requirement**
- **Represents a logical economic area of interest**
- **Eligible for pioneer preference**

PCN AMERICA, INC.

Tier Two - Requirements

- Own, build and operate PCS network
- Sub-license 30% of the MTA landmass and a minimum of 25% of the population to at least ten Tier Three providers
- Provide Tier Three licensees with switching, data base management and nondiscriminatory billing services

**Personal
Communications**

MILlicom INC.

PCN AMERICA, INC.

Tier Three - Local Licenses

- Provides rapid PCS deployment to rural America
- Provides minority and small business participation
- Provides community oriented coverage without the problem of fragmentation

**Personal
Communications**

MILLCOM INC.

Tier Three - Requirements

- **Construct and maintain cell sites and transmission links**
- **Interconnect with MTA licensee facilities
or**
- **Optionally, construct independent facilities**
- **Maintain an independent sales force**

Licensee Ownership Restrictions

- Tier One
 - RBOC and IXC limitation or exclusion
- Tier Two and Three
 - wired and wireless providers allowed in areas not served or with less than 10% POP ownership
- Licenses cannot be transferred for five years

PCN AMERICA, INC.

Millicom's National License Proposal

- **Allows maximum participation - over 900 licenses**
- **Encourage new investment in communications**
- **Generate more than 200,000 new US jobs**
- **Competition to all existing telecommunications networks - RBOC, cellular, SMR and IXC**

**Personal
Communications**

MILlicom INC.